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Not All Private Eyes Go Around Trailing Wayward Spouses

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Some Help Companies Fight
Suits, Takeovers, Crimes;
The Moonies and the Shah

By LINDA SANDLER

Staff Reporter of THE WALL STREET JOURNAL
For a private investigator, deception is one of the tools of the trade.

When New York private eye William P. Callahan tracked a Hong Kong businessman to Nantucket, Mass., he took along two British associates. Mr. Callahan's client, a privately held St. Louis oil company, wanted a rundown on the businessman—a felony suspect who had agreed to be a witness against the company at hearings on oil price-fixing.

"We're from the queen!" the British sleuths shouted, brandishing their passports.

The ruse worked. The witness from the crown colony mistook the sleuths for Scotland Yard men. He sang about his problems with the police and about his coming testimony. It was information that helped the oil company discredit the witness, says Mr. Callahan.

Widening at 50

Mr. Callahan is a 50-year-old, disheveled six-footer; a former federal drug prosecutor who likes to play cops and robbers, sometimes with a .38-caliber pistol clipped to his belt. Once lanky but now broadening, he looks nothing like actor Clint Eastwood but likes to think he resembles Mr. Eastwood's movie hero "Dirty Harry" Callahan.

During eight years as a private eye, Mr. Callahan has chased industrial spies, takeover artists, counterfeiters and other assorted troublemakers for clients such as Rohm & Haas Co., the Rev. Sun Myung Moon's Unification Church of America and several law firms with clients like the revolutionary government of Iran.

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You would no more mistake Mr. Callahan for a young chicken than for Dirty Harry. And his firm, United Intelligence Inc., or Unitel, has attained some longevity, having been founded in 1977. Still, Unitel does seem rather typical of the smaller firms in the field.

Mr. Callahan earns about \$80 an hour plus expenses—when he is working. He claims that Unitel's 1985 revenue will "approach" \$1 million, but he concedes that his cash flow is irregular and his expenses too high. In fact, the Internal Revenue Service recently slapped a lien on Unitel's bank account. Mr. Callahan says the lien will be lifted when he and the IRS work out a schedule for him to pay \$6,500 in back taxes.

Unitel headquarters are in high-rent offices in midtown Manhattan. An American flag hangs alongside diplomas and awards from Mr. Callahan's days in the Justice Department. Plants are neglected and papers piled high. An outdated brochure lists long-departed staff members; nowadays Unitel mainly uses about half a dozen freelance investigators.

Some of Mr. Callahan's biggest challenges involve corporate imbroglis. Last year, lawyers for a Midwestern pharmaceuticals company asked him to investigate a small group of dissident shareholders who wanted seats on the board. When a Unitel agent reported that the shareholders had checked into the Inter-Continental Hotel in New York for a meeting, Mr. Callahan saw his chance to uncover their plans.

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Mr. Callahan hasn't neglected modern spy technology. His equipment includes \$2,300 night binoculars; two-way radios at \$1,500 apiece, to communicate with an associate when tailing someone by car; and a \$1,000 radio-controlled camera with a lens so powerful, Mr. Callahan says, that "it will show the freckles on your face" from at least a block away. He sometimes camouflages the camera on the dashboard of his car and operates it from a nearby spot such as a window seat in a coffee shop.

Much of an investigator's job is ordinary drudgery. Some of the best leads come from documents in courts and libraries. In 1980, O'Dwyer and Bernstein, a New York law firm representing the revolutionary government of Iran, paid Mr. Callahan more than \$100,000 to find assets of the deposed shah. The job took nine months.

Many trails led to empty bank accounts and untraceable companies. But Mr. Callahan says that real-estate records in New York, Beverly Hills, Calif., and Palm Beach, Fla., confirmed the shah's ownership of town houses, condominiums, office buildings and land worth hundreds of millions of dollars. Some of the assets were ultimately turned over to Iran.

Mr. Callahan, a native New Yorker, is the son and grandson of policemen. He apprenticed as a lawyer in the 1960s under Roy M. Cohn, the New York litigator, and at former President Richard M. Nixon's old firm, now Mudge Rose Guthrie Alexander & Ferdon. Mr. Callahan joined the Justice Department in 1961 and later launched Unitel to escape "the grind of trial work" and the insecurity of government service at a time of cutbacks. He says he is still striving for financial security, but the job has its charms for an ex-prosecutor.

"I like meeting with the bad guys," he says, "and bringing them to justice."

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